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State of Utah Department of Commerce Division of Securities

FRANCINE A. GIANI
Executive Director

THAD LEVAR
Deputy Director

WAYNE KLEIN
Director of Securities

NEWS RELEASE

October 31, 2007

South Ogden Promoters Admit Fraud in Factoring Scheme

Company promised 15% return in three months; high interest is a warning sign of fraud ...

SALT LAKE CITY, Utah – Freedom Assets, LLC, Executive Assets, LLC, Kerry Pipkin, and Laurie Ann Pipkin agreed to the entry of an order by the Utah Division of Securities finding they had engaged in securities fraud and violated the licensing and registration requirements of the securities laws. Laurie Pipkin is from Riverdale. The other three are from South Ogden. They admitted violating the law, agreed to cease any further violations, and will pay fines of \$7,500.

The four promoters took \$10,000 from a pair of Idaho investors in 2002, saying the money would be used to finance the accounts receivable of an Asian latex glove manufacturer. The Pipkins told the investors they knew of a company that purchased the accounts receivable of an Asian latex glove manufacturers at a discount. When the purchasers of the latex gloves paid for the product, the company supposedly would earn a significant profit and would pay a 15% profit to the investors – within three months. The Pipkins said the investment was a “sure thing,” that the investment was secured by the latex gloves that were in transit, and that other investors were earning huge profits.

The Pipkins admit that they did not send any money to the company that claimed to be purchasing the accounts receivable. In fact, that company, J.T. Wallenbrock, was sued and had its assets frozen by the SEC the day after these investors gave their money to the Pipkins. Instead, the Pipkins used the investor money to pay personal expenses, including credit card payments, mortgage payments, and paying child support.

The Division of Securities initiated this case on November 14, 2006, filing an Order to Show Cause. The Utah Attorney General’s Office filed criminal charges against the Pipkins on November 27, 2006. The Pipkins entered guilty pleas on February 21, 2007, which were held in abeyance based on their paying restitution and complying with the law. With today’s order, the case is concluded against all parties.

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The Division of Securities warns investors to be skeptical of any claim that an investment can make 15% in three months or that any investment is a “sure thing.” Any investment paying rates above 5% involves risk. Any investment offering more than 10% a year is high risk.

Investors are urged to contact the Division to make sure anyone offering investments is licensed and that the securities are registered. 801.530.6600, or toll free at 1.800.721.7233.

www.securities.utah.gov.